

**Report to General Manager**

Attachments:

1. Intergovernmental Agreement 2019

SUBJECT: New Intergovernmental Agreement**AUTHOR:** Jenny Gleeson, Manager Integrated Planning and Special Projects**ENDORSED BY:** Ken Gouldthorp, General Manager**EXECUTIVE SUMMARY:**

This report is for information. On 14 October 2019 the NSW Government signed with Local Government NSW, on behalf of the NSW Local Government sector, a new Intergovernmental Agreement (Attachment 1). Whilst the Agreement is not legally binding, it states:

- Local Government is underpinned by the following State strategic priorities - NSW State Infrastructure Strategy 2018-2038, Regional Plans and District Plans, and Community Strategic Plans (3.1);
- ensures that the interests of Local Government are considered in NSW Government policy, services and projects (5.1c);
- regarding cost shifting, where the NSW Government requires Local Government to provide a new/expanded function or service, the NSW Government will consider the budget cycles and financial capabilities of Local Government (6.10); and
- the NSW Government will not progress any local council mergers, which have not been requested by the relevant councils i.e. no more forced council mergers (6.11).

FINANCIAL IMPLICATIONS:

Nil.

RECOMMENDATION:**1. THAT** the report on the New Intergovernmental Agreement be received.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

Direction: 5. Our Civic Leadership

Outcome: 5.1 Council leads the strategic direction of North Sydney

BACKGROUND

On 14 October 2019 the NSW Government signed with Local Government NSW, on behalf of the NSW Local Government sector, a new Intergovernmental Agreement.

CONSULTATION REQUIREMENTS

Community engagement is not required.

SUSTAINABILITY STATEMENT

The sustainability implications are of a minor nature and did not warrant a detailed assessment.

DETAIL

Whilst the agreement is not legally binding, it states:

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- ensures that the interests of Local Government are considered in NSW Government policy, services and projects (5.1c);
- regarding cost shifting, where the NSW Government requires Local Government to provide a new/expanded function or service, the NSW Government will consider the budget cycles and financial capabilities of Local Government (6.10); and
- the NSW Government will not progress any local council mergers, which have not been requested by the relevant councils i.e. no more forced council mergers (6.11).

The Minister for Local Government said, “the signing of this agreement will lead to a new area of co-operation and support between the two levels of government that will benefit local communications across the state”. It is noted that since the Minister’s appointment that there has been progress on several important matters. This includes release of three long awaited final reports (recommendations) by IPART (in particular the Rating System Review), the NSW Councils comparative data website, reduced cost of council elections and the option to extend the rate freeze path for a further 12 months, for amalgamated councils.

Whilst this has created a stream of work for our sector, it bodes well for the future of Local Government and demonstrates the NSW Government’s commitment to the function of Local Government and its ongoing development.

Intergovernmental Agreement to Guide NSW State-Local Government Relations on Strategic Partnerships

NSW Government and Local Government NSW



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1 PARTIES

This Agreement is made between:

The New South Wales Government, represented by the Premier, the Deputy Premier and the Minister for Local Government;

and

Local Government NSW (LGNSW), represented by the President.

2 PRELIMINARIES

- 2.1 This Agreement is between the NSW Government and the peak local government representative body, Local Government NSW (LGNSW), on behalf of NSW councils and county councils and associated entities (collectively referred to as Local Government).
- 2.2 The Parties to this Agreement recognise the importance of Local Government and State Government to the NSW community.
- 2.3 This Agreement formally acknowledges that Local Government and the NSW Government are equal partners.
- 2.4 This Agreement reflects a commitment by these two spheres of government to achieve strong communities through partnerships.
- 2.5 The Parties to this Agreement share a commitment to continuous improvement and will work together to achieve positive social, economic, environmental and civic leadership outcomes.
- 2.6 The NSW Government and Local Government acknowledge that the effective implementation of their policy agendas relies on an effective and strong partnership to best achieve policy outcomes.
- 2.7 It is intended that this Agreement will serve as a framework under which more specific areas of cooperation and further mechanisms for such cooperation can be agreed.
- 2.8 This Agreement sets out the agreed understanding of the roles of the Parties and the basis upon which the Agreement is entered into.

3 STRATEGIC PARTNERSHIPS

- 3.1 The Parties acknowledge that throughout the term of this Agreement, Local Government in NSW is underpinned by the following strategic policy priorities and plans:
 - a) The Premier's priorities;
 - b) The NSW State Infrastructure Strategy 2018-2038, which sets out the NSW Government's long-term infrastructure vision and is underpinned by the Future Transport Strategy 2056, the Greater Sydney Region Plan, and the Regional Development Framework;
 - c) Regional Plans and District Plans, which are being developed to plan for our future population's needs for housing, jobs, infrastructure and a healthy environment; and
 - d) Community Strategic Plans, developed by Local Government in consultation with their communities, identifying the community's main priorities and aspirations for the future, and the planned strategies for achieving these goals, over a minimum ten-year period.

4 PRINCIPLES

4.1 The Parties to this Agreement commit to the following Principles:

- a) State and Local Government will work together as drivers of change and improvement to achieve strong communities through partnership;
- b) Consultation and communication will be open on the basis of mutual trust and respect;
- c) State and Local Government will engage with each other collaboratively and with a shared commitment to joint problem solving;
- e) Issues in Local Government will be addressed with a focus on continuous improvement, innovation and the interests of the community;
- w) The impact of the actions of the parties on each other will be recognised, considered and managed appropriately; and
- f) In working together on the strategic partnerships other stakeholders will be meaningfully engaged.

5 ROLES AND RESPONSIBILITIES

5.1 The NSW Government is responsible for:

- a) Setting a clear policy and legislative framework for Local Government;
- b) Working with Local Government in accordance with the agreed principles;
- c) Ensuring that the interests of Local Government are considered in government policy, services and projects;
- d) Promoting Local Government and the importance of meaningful engagement with Local Government to State Government agencies,
- e) Building capacity in Local Government; and
- f) Continuing to provide funding opportunities and mechanisms to enable Local Government to deliver infrastructure and services to the community.

5.2 LGNSW is responsible for:

- a) Providing leadership to Local Government across a wide variety of functions including advocacy to the NSW Government on behalf of Local Government, industrial relations and human resource management as well as working with State Government in accordance with the agreed Principles;
- b) Keeping the NSW Government informed of views, significant issues and initiatives of Local Government; and
- c) Driving the shared vision for Local Government in partnership with the NSW State Government.

6 HOW THE PARTIES WILL WORK TOGETHER

- 6.1 In working together on the strategic direction for Local Government to achieve strong communities through partnerships, the Parties agree the following:

MEETINGS AND COOPERATION

- 6.2 The NSW Government commits to an annual meeting each year during the term of this Agreement between the Premier of NSW, the Deputy Premier, the Minister for Local Government and LGNSW to discuss strategic initiatives that impact on all parties, with a particular emphasis on the following 12 months.
- 6.3 A minimum of triannual meetings with the Minister for Local Government and LGNSW and elected representatives of LGNSW members will be held to discuss the strategic issues facing Local Government, with a particular emphasis on the following 12 months.
- 6.4 As required, more specific areas of cooperation and further mechanisms for cooperation may be agreed between LGNSW and the Agency Heads of key NSW State agencies, with a strong direct relationship to Local Government. Such arrangements should be formalised where possible, through mechanisms such as a Memorandum of Understanding. The Office of Local Government can assist in enabling and facilitating this process.
- 6.5 The Parties may agree to meet additionally, as required.
- 6.6 As required, the NSW Government and LGNSW will jointly advocate to the Federal Government on common policy issues to benefit the NSW community.
- 6.7 As required, the NSW Government will invite input from LGNSW on behalf of Local Government in advance of Council of Australian Governments (COAG) meetings.
- 6.8 Subject to any requirements of applicable law or Convention, the NSW State Government will use its best endeavours to consult with and seek the views of LGNSW in advance of introducing any laws or significant policy initiatives that will impact on the local government sector.
- 6.9 Without breaching confidence, LGNSW will keep the NSW Government informed of any significant issues and initiatives of Local Government that will impact on the NSW Government.

COST SHIFTING

- 6.10 Where the NSW Government requires Local Government to provide a new or expanded function or service, the NSW Government will consider the budget cycles and financial capability of Local Government, and where possible alleviate budgetary impacts.

COMMITMENT TO DEMOCRATIC LOCAL GOVERNMENT

- 6.11 The NSW Government will not progress any local council mergers, which have not been requested by the relevant councils, throughout the term of this Agreement.
- 6.12 The NSW Government commits to ensuring that the term of any Administrator appointed under the *Local Government Act 1993* is as brief as possible, with a view to quickly returning the council to democratically elected representatives.

7 TERMS OF THIS AGREEMENT

- 7.1 This Agreement will commence on the date it is signed by the Parties and will expire on 25 March 2023.
- 7.2 The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.
- 7.3 The Agreement may be terminated earlier or extended as agreed in writing by the Parties.
- 7.4 The Parties agree to review the operation of this Agreement in a timely manner, prior to its expiration.
- 7.5 Any variation to this agreement must be agreed to in writing by all of the parties. Any such variation will take effect from a date that the parties have mutually agreed in writing.

SIGNATORIES



THE HON. GLADYS BEREJIKLIAN MP

PREMIER

on behalf of the State Government of New South Wales



THE HON. JOHN BARILARO MP

DEPUTY PREMIER

on behalf of the State Government of New South Wales



THE HON. SHELLEY HANCOCK MP

MINISTER FOR LOCAL GOVERNMENT

on behalf of the State Government of New South Wales



CLR LINDA SCOTT

PRESIDENT

LOCAL GOVERNMENT NSW

on behalf of New South Wales Local Government

on this day of

14 October 2019.